(xii) To facilitate import of state-of-the-art machinery to make our products internationally competitive in post quota regime, in 2005-06 Budget, the customs duty on textile machinery has been brought down to 10% except 23 items of machinery appearing in List 49 which attract Basic Customs Duty (BCD) of 15%. The concessional duty of 5% continues to be at 5% on most of the machinery items.

(xiii) Government has launched the Debt Restructuring Scheme w.e.f. Sept., 2003 with the principal objective to permit banks to lend to the textile sector at 8-9% rate of interest.

(xiv) The National Institute of Fashion Technology (NIFT) has been set up to provide a leadership role in sensitizing the industry to the concept of value addition by inducting trained professionals to manage the industry. This has resulted in an increased demand for trained professionals in various sectors servicing the industry.

**Protection of Indian textile industry under SAFTA**

1097. SHRI C. RAMACHANDRAIAH: Will the Minister of TEXTILES be pleased to state:

(a) how many textile items are there in the negative list where tariff concessions can not be extended under the proposed SAFTA for SAARC countries;

(b) what kind of protection would be granted to Indian domestic textile industry under the proposed SAFTA;

(c) whether the Bangladesh garment industry would not be granted preferential status for the Indian market; and

(d) the details of specific clauses that are being incorporated into SAFTA for the protection of the Indian textile industry?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (d) There are 429 textiles tariff lines in the preliminary indicative Negative List of India. The Negative Lists of South Asian Free Trade Area (SAFTA) member countries have not yet been finalized by the Committee of Experts on SAFTA. Under the SAFTA Agreement, Bangladesh would get the benefits that are available to other contracting members on MFN basis, and besides get other such concessions that are extended to Least Developed Countries (LDCs) contracting members.

A detailed safeguard mechanism is in place under Article 16 of Agreement on SAFTA in case of surge in imports on preferential treatment from SAARC countries. Besides, export in textiles (similar to any other sector) under SAFTA will be subject to fulfilment of criteria defined in the Rules of Origin under Article 18 of Agreement on SAFTA.

**Steps to promote textile industry**

1098. SHRI S.S. CHANDRAN: Will the Minister of TEXTILES be pleased to state:

(a) the total cloth consumption in the country annually during the last three years;

(b) the factors that determine cloth consumption; and

(c) the steps taken to promote the textile industry, particularly the handloom sector?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) According to the National Household Survey conducted by Textile Committee the All India per capita consumption of textiles during 2001 to 2003 (latest available) was as given below:—

| Year | Per capita consumption/purchase of textiles | |
|---|---|---|
| | Quantity in Mtrs. | Value in Rupees |
| 2001 | 18.65 | 1092.92 |
| 2002 | 19.00 | 1150.26 |
| 2003 | 19.71 | 1211.33 |

Source: Compendium of Statistics, O/o Textile Commissioner.

(b) The cloth consumption in the country is mainly influenced by factors like income levels, price, area (rural/urban), gender based preferences etc.

(c) A number of steps have been taken to promote the domestic textile industry including handlooms. A number of plan schemes and programmes are being implemented for promotion of handlooms with the objective of product diversification, Marketing support and technological upgradation like the Deen Dayal Hathkargha Protsahan Yojana, Integrated Handloom Training Programme, Marketing Promotion Programme, Mill Gate Price Scheme and Handloom Export Scheme.